



OFFICE OF THE  
COMMISSIONER

# STATE OF CONNECTICUT

## DEPARTMENT OF REVENUE SERVICES



March 23, 2010

TO: The Honorable Toni N. Harp  
The Honorable John C. Geragosian  
The Honorable Dan Debicella  
The Honorable Craig A. Miner  
Members of the Appropriations Committee

FROM: Richard D. Nicholson, Commissioner *RDN*  
Department of Revenue Services

RE: House Bill 5016, An Act Making Deficiency Appropriations for the Fiscal Year  
Ending June 30, 2010.

Good afternoon Senator Harp, Representative Geragosian, Senator Debicella, Representative Miner and members of the Appropriations Committee. My name is Richard Nicholson and I am Connecticut's Commissioner of Revenue Services. Thank you for the opportunity to testify at this hearing.

The Department of Revenue Services (DRS) is currently projecting a shortage of \$325,000 in its Personal Services Account. This shortfall is directly attributable to lump sum payments that were required to be made to certain members of the P-5 collective bargaining unit in January.

The Personal Service's budget for DRS was reduced by 13% in holdbacks to meet the required bottom line savings in the budget. The DRS recognizes and understands the importance of living within the constraints of its adjusted FY10 budget. However, I have serious concerns as to whether the reduction in Personal Services funding will allow the timely collection and processing of payments and returns associated with this year's personal income tax filings.

I will answer any questions you may have.